GOVERNMENT OF INDIA
LABOUR
LOK SABHA

UNSTARRED QUESTION NO:3961
ANSWERED ON:19.04.2000
EMPLOYEES PROVIDENT FUND SCHEME
SURESH KODIKUNNIL

Will the Minister of LABOUR be pleased to state:

(a) whether the Government propose to increase the minimum pension amount now offered under Employees Scheme considerably;

(b) if so, the details thereof;

(c) whether Government propose to consider those cases who were subscribing under the Scheme from its inception i.e. 1972 onwards but retired after 1993 and offer the benefits to them also; and

(d) whether the Government propose to review the pension amount periodically taking into consideration the cost of living index as done in the case of other pension schemes?

Answer

MINISTER OF STATE FOR LABOUR AND EMPLOYMENT

(SHRI MUNI LALL)

(a) : No, Sir.

(b) : Does not arise.

(c) : The Employees` PensionScheme, 1995 came into force with effect from 16.11.1995. Accordingly, the Scheme applies to the persons who were/are inthe employment on or after 16.11.1995. However, the cases of members of the ceased Family Pension Scheme, 1971 who retired or died during 1.4.1993 to 16.11.1995 are also covered for pension under the new Scheme on an optional basis.

(d) : Under the Employees Pension Scheme there is a provision for valuation of the Pension Fund and review of pensionary benefits on an annual basis. Accordingly, on completion of the first annual valuation, an increase of 4% on pension in payment has been sanctioned to the beneficiaries with effect from 16.11.1996. On completion of second annual valuation, additional relief of 5.5% has also been sanctioned to the pensioners with effect from 1.4.1998. The Employees` Pension Scheme is a contributory Scheme with limited resources. As such, it is not considered actually feasible to burden the Scheme with unlimited liability which may arise by linking it to the cost of living index.